

WORKFORCE DEVELOPMENT DEPARTMENT[871]

Adopted and Filed

Rule making related to benefit payment control

The Director of the Workforce Development Department hereby amends Chapter 25, “Benefit Payment Control,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code section 96.11.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 96.

Purpose and Summary

These amendments update Department policies for collecting and recovering overpayment balances from claimants who have received benefits to which the claimants were not entitled. Adding the ability to pay by credit card, and specifying that the second notice will be a demand letter rather than another billing statement, assists the Department in recovering these balances and restoring the moneys to the unemployment insurance trust fund.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on September 11, 2019, as **ARC 4647C**. The Notice was reviewed by the Administrative Rules Review Committee at its meeting held on October 8, 2019. A Committee member asked if a credit card fee is assessed, and it was confirmed that a fee is assessed and that notice of the assessment of the fee is provided to the claimant. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Director of the Department on October 16, 2019.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s

meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on January 22, 2020.

The following rule-making actions are adopted:

ITEM 1. Amend paragraph **25.7(6)“c,”** introductory paragraph, as follows:

c. If a claimant fails to respond to the first statement of overpayment, a ~~second statement demand letter~~ shall be sent 30 days later. The ~~second statement demand letter~~ notifies the claimant that full repayment must be made. If the claimant cannot make full repayment, the department will consider a monthly repayment agreement. Monthly amounts based on the minimum repayment agreement schedule below will be printed on the ~~second billing demand letter~~. The first repayment is expected ~~10~~ ten days from the date of the ~~second repayment statement demand letter~~ and the additional repayments every 30 days thereafter until the debt is paid in full. The department reserves the right to accept or reject any proposed repayment agreement. The following minimum repayment agreement is acceptable to the department.

ITEM 2. Amend paragraph **25.7(6)“d”** as follows:

d. If a claimant fails to respond to the ~~second~~ first repayment statement, a ~~third notice demand letter~~ shall be sent automatically in approximately 30 days. ~~The department has the option to send a notice which allows the claimant another 10 days to make full repayment of the indebtedness or a partial payment with an acceptable signed repayment agreement to prevent further collection action by the department, or the department may send a lien warning letter as the third billing notice. This warning gives 10 days to make full payment which will prevent lien filing.~~ The department may proceed with any appropriate lien or civil action to collect the debt, which would include, but not be limited to, a judgment in a court having jurisdiction over the matter. The same type of action may be pursued by the department in those cases where a claimant defaults on a repayment schedule.

ITEM 3. Amend paragraph **25.8(1)“a”** as follows:

a. The department shall mail a first statement of overpayment to the claimant’s last-known address. This statement will request full repayment in the form of a negotiable check, money order, credit card payment, or bank draft payable to the Department of Workforce Development.

ITEM 4. Amend paragraph **25.8(1)“b”** as follows:

b. If a claimant fails to respond to the first statement of overpayment, a ~~second statement demand letter~~ shall be sent 30 days later. The ~~second statement demand letter~~ notifies the claimant that full repayment must be made. If the claimant cannot make full repayment, the department will consider a monthly repayment agreement.

[Filed 11/15/19, effective 1/22/20]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 12/18/19.